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After Vietnam: A Time for Reassessment

Mike Mansfield 1903-2001

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PROGRAM FOR ECONOMIC RECOVERY AND ENERGY SUFFICIENCY

Mr. MANSFIELD. Mr. President, in February, Congress recommended a far-reaching program for economic recovery and energy sufficiency. It received the unanimous endorsement of the Senate Democrats as a comprehensive and consistent plan of action. It recognized the interrelationship of energy decisions and economic consequences.

In contrast with the administration, Congress established as its first priority a return to full employment as soon as possible.

All other programs, including energy, were adapted to this first priority. Thus, steep energy price increases that would impair economic recovery were specifically rejected as a method to reduce consumption, reflecting the unanimous judgment of the Senate Democrats that energy was an essential component of American life—not a luxury item. Heating a home, feeding and clothing a family, and getting to work are fundamental. All such essential endeavors require petroleum and its byproducts.

The administration's program was quick and easy to comprehend. In terms of economic impact, however, its implementation would be disastrous. For America, the cost of all energy would be doubled and the consumer is at once energy poor—petroleum and its byproducts are placed out of reach of countless millions of our citizens. A form of conservation? Perhaps. Inequity to the American consumer? More likely. A hindrance to economic recovery? A certainty. That is the administration's energy program.

In contrast, the congressional program, passed and to be passed, directs a surgical approach to the wasteful consumption of energy. In transportation, particularly regarding the automobile, mandated efficiency—50 percent in 1980, 100 percent by 1985—alone would save almost 4 million barrels of oil per day. In the industrial and commercial sector, energy efficiency standards would produce enormous savings throughout each

segment of industry and in the residential sector. Improved standards for new construction with insulation incentives for existing structures would help turn the tide and pave the way to energy sufficiency. It is to these proposals—both comprehensive and mandatory—that the Nation must turn if great fuel savings is the goal. No program offered by the administration would provide similar results.

But this careful and detailed approach prepared by Congress cannot and will not be accomplished by one bill, one package, or in one fell swoop. It requires study and refinement by four major Senate committees. Of the specific bills required, almost two dozen are well underway in the Senate. Proceeding with them in this fashion reflects the essential nature of the legislative process. The ultimate result justifies the process. Enactment will assure a fair and equitable distribution of the burden of scarce energy with savings in consumption translated into a substantially reduced dependence upon imports. Frankly, it is only a reduction imposed in this fashion—via a carefully planned conservation effort—that provides the rational basis for an oil import quota and a reduced dependence upon the OPEC cartel.

What is the record to date? First of all, to meet its commitments, Congress has expedited consideration of those measures deemed most urgent in dealing with America's economic problems and to that end, the following actions—all specifically recommended in the congressional program for economic recovery—have been taken:

First. A tax rebate—far more generous than that proposed by the President—to provide a one-shot stimulus to the sagging economy has been enacted.

Second. A temporary personal tax reduction for continuing support to consumer purchasing power has been enacted.

Third. A business tax reduction to stimulate investment has been enacted.

Fourth. To offset revenue losses and provide more equity within the tax structure, Congress has repealed the oil depletion allowance for major companies.

Fifth. To prevent further economic hardship, Congress suspended the President's authority to raise the price of energy unilaterally. This measure was vetoed by the President.

Sixth. Both the House and Senate have passed an urgent housing program to create jobs, provide homeownership assistance to low- and middle-income families and stimulate the depressed homebuilding industry. This measure faces a Presidential veto. Also, Congress has rejected the President's rescissions and deferrals of funds for existing housing programs and both bodies have passed legislation to prevent mortgage foreclosures during this time of economic hardship.

Seventh. Both the House and Senate have prevented the President's proposed 5 percent ceiling on social security benefit increases and mandated full benefits including a retroactive supplementary bonus payment of \$50 to help stimulate economic recovery.

Eighth. By resolution, Congress has called on the Federal Reserve to reduce long-term interest rates and maintain longrun growth in the money supply.

Ninth. Congress has appropriated increased funds for public service employment and job opportunities to help check the still increasing unemployment rate. This measure has also been vetoed with the House scheduled to attempt an override.

Tenth. Congress has rejected the President's rescissions and deferrals of funds for job intense public works and transportation programs.

As to its recommendations on energy policy, Congress has demonstrated similar initiative to meet the potential threat to national energy supplies without disrupting the efforts to achieve economic recovery. In this regard, the following actions have already been taken:

First. The Senate has passed a host of standby authorities, including allocation and rationing, to protect against sudden shortfalls in energy supply.

Second. Both bodies have passed legislation to prevent the President from imposing energy price increases against consumers, including higher tariffs on oil imports and price decontrols. As previously indicated, a veto of this legislation remains pending but the override attempt was postponed in light of the President's deferral of further oil tariff increases. With the President's renewal of his pledge to unilaterally raise energy prices, Congress must again act to block such an economically imprudent move. The congressional program remains opposed to oil price decontrol and price increases and all actions available will be taken by the Congress to protect the American consumer from steep energy price increases during this time of economic crisis.

Third. A mandatory auto fuel efficiency bill is ready for consideration by the Senate. It is hoped the administration will support this stringent energy conservation proposal as it alone would provide an energy savings of almost 4 million barrels per day by 1985.

Fourth. In addition, a bill to regulate the price of natural gas in order to stimulate more production was reported in late May by the Senate Commerce Committee for consideration in the Senate. It, too, will soon be taken up.

It should be noted finally that negotiations between the congressional leadership and the administration have produced substantial agreement between the executive and legislative branches on a number of long-range objectives dealing with energy conservation and augmented domestic supplies. The highest priority is being given to these measures by the various committees of jurisdictional interest and efforts to speed enactment will continue throughout this session of the Congress.

To date, Mr. President, the record of the Congress on these issues has been exemplary. What must be recognized are the remaining differences with the administration over the question of economic recovery and the adverse impact on that goal of imprudent and abrupt manipulations in the price of fuel in

order to obtain short-term and temporary energy policy objectives. This is a time when the American consumer—particularly those in low- and middle-income groups—can least afford such added hardships. It is no time to thrust more economic pain and suffering on America. The congressional energy policy as approved in February recognizes full well the threat to America's energy supply; it provides essential protections and lays the framework for strong and effective mid- and long-term energy programs based on mandatory conservation and augmented production efforts.

As to both economic and energy objectives, the record should reflect the various achievements to date and I ask, therefore, that the congressional program for economic recovery and energy sufficiency with an indication of how initial recommendations stack up against achievements to date be printed at this point in the CONGRESSIONAL RECORD, together with an article by Mr. Hobart Rowen entitled "The Bill for Oil Import Duties, Decontrol" which appeared in last Sunday's Washington Post.